

AMENDED IN ASSEMBLY JANUARY 6, 2004

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1071**

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**Introduced by Committee on Agriculture (Matthews (Chair),  
Maldonado (Vice Chair), Berg, Cogdill, Maddox, Maze,  
Oropeza, Parra, Reyes, Salinas, Vargas, and Wiggins)**

February 20, 2003

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An act to *amend Section 19227 of, and to amend, repeal, and add* Section 15061 of the Food and Agricultural Code, relating to commercial feed, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 1071, as amended, Committee on Agriculture. Commercial feed: inspection tonnage tax.

Existing law establishes an inspection tonnage tax for commercial feed, as specified, with a maximum rate of 15 cents per ton. The funds collected are deposited into the continuously appropriated Food and Agriculture Fund.

This bill would, in addition, and until January 1, 2010, authorize the Secretary of Food and Agriculture to designate a specified amount of the tonnage taxes collected to provide funding for research and education regarding the safe manufacture, distribution, and use of commercial feed.

By expanding the purposes for which funds in a continuously appropriated fund may be spent, this bill would make an appropriation.

*Existing law authorizes the collection of administrative fees, as specified, from renderers and collection centers in connection with rendering. Under existing law, these provisions will be repealed on*

*January 1, 2006. Other provisions of existing law require the funds collected to be deposited into the continuously appropriated Food and Agriculture Fund.*

*This bill would extend the operative date of those provisions to January 1, 2011.*

*By extending the operation of those provisions of law requiring collection and deposit of funds into a continuously appropriated fund, this bill would make an appropriation.*

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 15061 of the Food and Agricultural  
2 Code is amended to read:  
3 15061. (a) An inspection tonnage tax at the maximum rate of  
4 fifteen cents (\$0.15) per ton of commercial feed sold, except whole  
5 grains, and whole hays when unmixed, shall be paid to the  
6 secretary by any person who distributes commercial feed to a  
7 consumer-buyer in this state. The distributor shall also pay an  
8 inspection tonnage tax for purchased commercial feed fed to his  
9 or her own animals.  
10 (b) The secretary may, based upon a finding and  
11 recommendation of the Feed Inspection Advisory Board,  
12 determine the specific rate necessary to provide the revenue  
13 needed to carry out the provisions of this chapter. The secretary  
14 and the Feed Inspection Advisory Board shall not exceed the  
15 maximum tonnage rate established by this section. Setting the  
16 tonnage tax rate shall not be subject to Chapter 3.5 (commencing  
17 with Section 11340) of Part 1 of Division 3 of Title 2 of the  
18 Government Code.  
19 (c) The secretary may, based upon a finding and  
20 recommendation of the Feed Inspection Advisory Board,  
21 designate 15 percent of the tonnage taxes collected, or two hundred  
22 thousand dollars (\$200,000), whichever amount is greater, to  
23 provide funding for research and education regarding the safe  
24 manufacture, distribution, and use of commercial feed.  
25 (d) This section shall remain in effect only until January 1,  
26 2010, and as of that date is repealed, unless a later enacted statute,  
27 that is enacted before January 1, 2010, deletes or extends that date.

1 SEC. 2. Section 15061 is added to the Food and Agricultural  
2 Code, to read:

3 15061. (a) An inspection tonnage tax at the maximum rate of  
4 fifteen cents (\$0.15) per ton of commercial feed sold, except whole  
5 grains, and whole hays when unmixed, shall be paid to the  
6 secretary by any person who distributes commercial feed to a  
7 consumer-buyer in this state. The distributor shall also pay an  
8 inspection tonnage tax for purchased commercial feed fed to his  
9 or her own animals.

10 (b) The secretary may, based upon a finding and  
11 recommendation of the Feed Inspection Advisory Board,  
12 determine the specific rate necessary to provide the revenue  
13 needed to carry out the provisions of this chapter. The secretary  
14 and the Feed Inspection Advisory Board shall not exceed the  
15 maximum tonnage rate established by this section. Setting the  
16 tonnage tax rate shall not be subject to Chapter 3.5 (commencing  
17 with Section 11340) of Part 1 of Division 3 of Title 2 of the  
18 Government Code.

19 (c) This section shall become operative on January 1, 2010.

20 SEC. 3. *Section 19227 of the Food and Agricultural Code is*  
21 *amended to read:*

22 19227. (a) In addition to the license fee required pursuant to  
23 Section 19225, the department may charge each licensed renderer  
24 and collection center an additional fee necessary to cover the costs  
25 of administering Article 6 (commencing with Section 19300) and  
26 Article 6.5 (commencing with Section 19310). The additional fees  
27 authorized to be imposed by this section may not exceed three  
28 thousand dollars (\$3,000) per year per each licensed rendering  
29 plant or collection center.

30 (b) The secretary shall fix the annual fee established pursuant  
31 to this section and may fix different fees for renderers and  
32 collection centers. The secretary shall also fix the date the fee is  
33 due and the method of collecting the fee. If an additional fee is  
34 imposed on licensed renderers pursuant to subdivision (a) and an  
35 additional fee is imposed on registered transporters pursuant to  
36 subdivision (a) of Section 19315, only one additional fee may be  
37 imposed on a person or firm that is both licensed as a renderer  
38 pursuant to Article 6 (commencing with Section 19300) and  
39 registered as a transporter of inedible kitchen grease pursuant to

1 Article 6.5 (commencing with Section 19310), which fee shall be  
2 the higher of the two fees.

3 (c) If the fee established pursuant to this section is not paid  
4 within one calendar month of the date it is due, a penalty shall be  
5 imposed in the amount of 10 percent per annum on the amount of  
6 the unpaid fee.

7 (d) This section shall become inoperative on July 1, ~~2005~~ 2010,  
8 and, as of January 1, ~~2006~~ 2011, is repealed, unless a later enacted  
9 statute, which becomes effective on or before January 1, ~~2006~~  
10 2011, deletes or extends the dates on which it becomes inoperative  
11 and is repealed.

